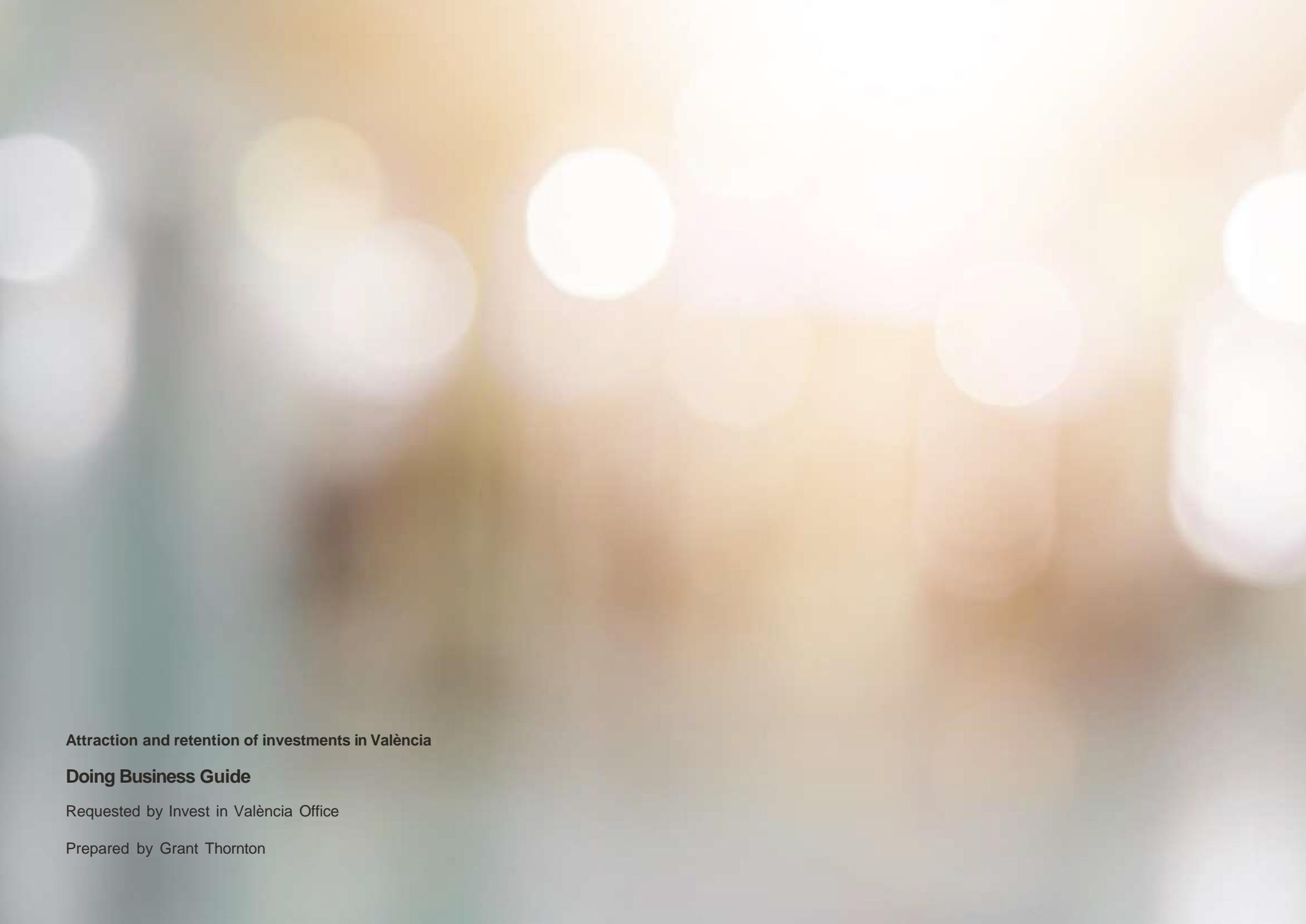


A close-up photograph of two business people in dark suits and white shirts shaking hands. The background is blurred, showing more of the suits and a bright light source.

VALÈNCIA

Grants and incentives

VLC  INVEST IN
VALÈNCIA
March 2022



Attraction and retention of investments in València

Doing Business Guide

Requested by Invest in València Office

Prepared by Grant Thornton

Financial Statement

Balance Sheet

Current Previous

5,867	2,944
18,386	12,932
\$ 24,253	\$ 15,876

3,860	2,876
11,873	8,200
\$ 15,733	\$ 11,076

4,620	4,740
2,022	620
\$ 6,642	\$ 5,360

\$ 4,520	\$ 4,800
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\$ 15,876	
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Cash Flow Statement

Current Previous

Operating Activities

Net Income	1,241	212
Adjustments To Reconcile Net Income	1,450	365
Changes In Operating Assets And Liabilities	890	267
Total Operating Activities	\$ 3,581	\$ 844

Investing Activities

Marketable securities	(270)	(42)
Property, plant and equipment	(891)	(151)
Total Investing Activities	\$ (1,161)	\$ (193)
Issuance Of Term Debt	3,077	1,450
Repayments Of Term Debt	(852)	(291)
Total Financing Activities	\$ 2,225	\$ 1,159

València, Doing Business

How can I finance the business?

Income Statement

Current Previous

Net Sales	8,682	6,201
Cost of Sales	7,287	5,049
Gross Profit	\$ 2,395	\$ 1,152
Selling Expenses	1,000	625
Administrative Expenses	345	293
Net Operating Income	\$ 1,344	\$ 916
Interest Income	\$ 139	\$ 234
Interest Expense	110	22
\$ 1,361	\$ 212	



10

How can I finance the business?

10.1 Aid, subsidies and public incentives to finance business projects

There are many public entities that promote economic and business activity through different lines of aid, subsidies, incentives or financing.

The main entities and public platforms, both state and regional, that develop their activity in the field of the Valencian Community are fundamentally the following:



Government of Spain

Government of Spain: https://administracion.gob.es/pag_Home/empleoBecas/Ayudas-Becas-Premios-por-Ministerios.html

Ministry of Finance and Public Function: National System of Publicity of Subsidies and Public Aid (BDNS):<https://www.pap.hacienda.gob.es/bdnstrans/GE/es/index>

MINCOTUR: <https://www.mincetur.gob.es/portalayudas/Paginas/Index.aspx>

Ministry of Economic Affairs and Digital Transformation: <https://portalayudas.mineco.gob.es/>

CDTI: <http://perspectivacdti.es/guia-facil-ayudas-cdti-cdtioficial/>

RED.ES: <https://www.red.es/es>

ENISA: <https://www.enisa.es/>

In addition, there is a database of the Ministry of Industry, Trade and Tourism in which you can consult all the aid and incentives for companies [aid and incentives for companies](#).

How can I finance the business?

Generalitat Valenciana

Department of Sustainable Economy, Productive Sectors, Trade and Labor: <https://cindi.gva.es/es/plan-estrategico-de-subvenciones>

IVACE (Institut Valencià de Competitivitat Empresarial: <https://www.ivace.es/index.php/es/>

LABORA (Servei Valencià d'Ocupació i Formació: <https://labora.gva.es/va/empresas/busque-ajudes-subvencions/ajudes-foment-de-l-ocupacio>

AVI (Valencian Innovation Agency): <https://innoavi.es/es/convocatorias/>

In addition, the Generalitat has a subsidy search engine:
<https://gvaoberta.gva.es/es/busrador-de-subvencions>

Valencia City Council

Valencia City Council: <https://www.infosubvenciones.gob.es/bdnstrans/L462508/es/index>

Valencia Chamber of Commerce:

<https://www.camaravalencia.com/es-ES/Paginas/ayudas-subvenciones-empresas/default.aspx>



How can I finance the business?

10.2 Most relevant grants and subsidies

Among the grants and subsidies that have been announced and given in 2022, we can highlight those that have some link with the opening and start-up of new businesses, hiring of personnel, R + D + i and digitalization of companies¹⁴:

1. Opening and consolidation of new businesses.

NEOTEC Program

- Organization: CDTI
- Type: subsidy
- Addressees: Young technology-based companies with a business strategy based on the intensive mastery of scientific and technical knowledge. Companies shall have a duration of at least 6 months old and less than 3 years.
- Application deadline: in 2022 no call has been opened.
- Maximum amount: up to 325,000 euros, with the incorporation of a doctor. The expenses of the Business Plan are financed over 1 or 2 years.

NEOTEC program for entrepreneur businesswoman

- Organization: CDTI
- Addressees: Young technology-based companies headed by women.
- Application deadline: until April 19, 2022..
- Maximum amount: up to 250,000 euros, up to 70% of the budget. The expenses of the Business Plan are financed over 1 or 2 years.

Program “New territorial projects for rebalancing and equity. Entrepreneurship and microenterprises”, within the framework of the Recovery, Transformation and Resilience Plan [framework of the Recovery, Transformation and Resilience Plan](#).

- Organization: Department of Sustainable Economy, Productive Sectors, Trade and Labor. Generalitat Valenciana
- Type: subsidy
- Addressees: people who become self-employed or self-employed personnel, including members of civil societies and property communities.
- Application period: from January 25 to October 31, 2022.

Maximum amount: 5,000 euros flat-rate per beneficiary..



¹⁴ The aid and subsidies that are related could vary in terms of the deadlines for submission or the validity of the call

How can I finance the business?



Subsidies to business investment projects that contribute to the transformation of the economic model.

- Organization: Department of Finance and Economic Model. Generalitat Valenciana
- Type: subsidy
- Addressees: Companies, regardless of their legal form of constitution, whose registered office, establishment or branch of production or development of the activity is located in the Valencian Community, that carry out investment projects in:
 - i. Promotion of the establishment, development and consolidation of the productive business fabric, especially industrial, as well as the creation and maintenance of employment.
 - ii. Promoting an environmentally sustainable economic model.
 - iii. Promotion of research and development.

- Application deadline: until June 30, 2022.
- Minimum amount of the projects: 1,000,000 euros. 25% of funding with own or external resources exempted from any public aid will be required to cover the total cost of the subsidized project.

"Emprenem Comerc" Aid Program

- Organization: Department of Sustainable Economy, Productive Sectors, Commerce and labour. Generalitat Valenciana
- Type: Public aid for financing the current expenses derived from the maintenance of a commercial establishment with new ownership, or from the establishment of a commercial activity in a premise in which, previously, an economic activity has been developed. They include feasibility studies, energy saving and design of the establishment, costs of setting up the company and the costs of renting the premises.
- Beneficiaries: Individuals, SMEs and micro-SMEs

How can I finance the business?



- Application deadline: until February 4, 2022 (Call 2022 closed)
- Maximum amount: The aid to be granted per establishment will be up to 50% with the limit of 10,000 euros, without exceeding 5,000 euros of subsidy as rent..

CREATEC-C. Program. Promotion of innovative technology-based entrepreneurship.

- Organization: IVACE. Generalitat Valenciana.
- Type: subsidy
- Addressed: Small innovative and technology-based companies, with

registered office or production establishment in the Valencian Community with an age of less than 5 years.

- Application deadline: Pending call 2022.
- Maximum amount: non-repayable subsidy of up to 70% of the eligible budget.

EAUTOP. New territorial projects for rebalancing and equity – entrepreneurship and microenterprises.

- Organization: LABORA
- Recipients: People who become self-employed or self-employed workers and are registered in LABORA
- Application deadline: until October 31, 2022
- Maximum amount: 5,000 euros

EAUTOE. Aid to unemployed people who start an innovative business activity.

- Organization: LABORA
- Recipients: Unemployed people who become self-employed or self-employed personnel
- Application deadline: until June 30, 2022
- Maximum amount: up to 4,500 euros.

Subsidies for the implementation of new businesses and consolidation of existing ones

- Organization: València City Council
- Addressees: Natural and legal persons, civil cooperatives, property communities and other entities without legal personality, which carry out their activity in establishments open to the public located in the city of València and are self-employed, small or micro enterprises. .
- Application deadline: until March 28, 2022
- Maximum amount: 3,000 euros

How can I finance the business?

Program I Grant “[Emprén](#)”

- Organization: València City Council
- Type: Subsidy intended to support in the beginning of the activity to those who have recently undertaken in the municipality of València
- Recipients: Natural and legal people
- Application deadline: until March 23, 2022
- Maximum amount: up to 2,000 euros

Program “[Amunt Persianes](#)”.

- Organization: València City Council – València Activa
- Type: subsidy to develop the life of the neighborhoods, boost economic activity and employment and reopen the empty premises on the ground floor.
- Addressees: natural and legal people, property communities, civil societies or other entities without legal personality, who have signed a contract of sale, lease or assignment of an empty premises located in València.
- Application deadline: from May 2 to November 15, 2022.
- Maximum amount: up to 20,000 euros. Up to 80% of the budget allocated to investment expenses will be subsidized, including the acquisition of the premises, the rehabilitation and adaptation of the premises, the operational operation of the activity, machinery or furniture.

Program “[Competitividad turística 2022](#)”

- Organization: Official Chamber of Commerce, Industry, Services and Navigation of València
- Type: Financial aid for the development of plans to improve the competitiveness of the tourism sector.
- Addressees: SMEs, micro-SMEs and self-employed of the territorial demarcation of the Chamber of Commerce of València.
- Application deadline: until October 31, 2022
- Maximum amount: up to 7,000 euros (with co-financing from the beneficiary of 50%).10.2.2 Employment/Recruitment



How can I finance the business?

10.2.2 Employment/Recruitment

[ECOVUL 2022. Program to promote the indefinite recruitment of certain vulnerable groups in the territorial area of the Valencian Community](#)

- Organization: LABORA (Valencian Employment and Training Service).
- Type: subsidy
- Addressees: Employing entity of a private nature, including self-employed persons with a workplace in the Valencian Community.
- Application deadline: until May 31, 2022.
- Maximum amount: 90% of the minimum interprofessional wage

[ECOGJU. Subsidies to encourage the indefinite hiring of qualified young people.](#)

- Organization: LABORA
- Type: Subsidy
- Addressees: Any company, including self-employed workers, with a work center in the Valencian Community
- Application deadline: until May 31, 2022.
- Maximum amount: up to 27,000 euros.

Program II Subsidy “Emplea”

- Body: València City Council.
- Type: Subsidy intended to promote indefinite full-time contracts in the municipality of València.
- Addressees: Natural and legal people.
- Application deadline: until March 23, 2022
- Maximum amount: up to 2,000 euros



Comprehensive Qualification and Employment Program (PICE). Recruitment aid.

- Organization: Chamber of Commerce.
- Type: Aid for the recruitment of young beneficiaries of the National Youth Guarantee System. Selection processes can be requested at no cost.
- Addressees: Natural and legal persons.
- Application deadline: pending call.
- Maximum amount: up to 4,950 euros
- Maximum amount: up to 4,950 euros

How can I finance the business?



10.2.3 R&D&I activities

The Generalitat Valenciana, through the Innovation Agency (AVI) usually calls for grants and subsidies for R + D + i, but they are usually focused on public entities, universities and research centers, either for equipment, training or hiring of research personnel.

For more information: <https://innova.gva.es/es/web/ciencia/a-programa-i-d-i>

4. Digitalization of companies

KIT Digital (Acelera pyme). Announcements for subsidies for the digitalization of SMEs between 10 and 50 employees, to promote and advance in the digital transformation and modernization of SMEs. In future calls, it is expected that you can access these grants for microenterprises which have between 0 and 10 employees.

Organization: [RED.ES](#)

- Type: Subsidy
- Target audience: small businesses between 10 and 50 employees.
- Application deadline: until September 15, 2022.
- Maximum amount: up to 12,000 euros per beneficiary.

Call for direct granting of subsidies for the contracting of fixed broadband access services of high speed.

Organization: [RED.ES](#)

- Type: Subsidy
- Target audience: Individuals, freelancers, SMEs, non-profit entities..
- Application deadline: until December 31, 2022.
- Maximum amount: up to 400 euros per beneficiary.

How can I finance the business?

10.3 Public funding lines

ENISA financing lines

- There are different lines of financing aimed at young entrepreneurs (SMEs and startups), digital entrepreneurs, the financing of the first phases of life of SMEs and their growth.
- Amounts: The financing lines start from a minimum of 25,000 euros and, depending on the type of project, can reach until 75,000 euros, 300,000 euros and even 1,500,000 euros

Invest CDTI.

- It is a line of co-investment of the CDTI in companies together with more than 70 investors or approved investment funds.
- After contacting an investor approved by CDTI, the investor analyzes the company and proposes the co-investment to the CDTI.
- The CDTI and the investor co-invest up to a maximum of 49% of the total investment.

PID R&D Projects

- Organization: CDTI
- Loans for research and development projects. It finances business projects not started at the time of the application, for the creation and / or improvement of a production process, product or service. Interest rate: Euribor+0%. It is a partially refundable aid.
- Recipient: Any type of company that has a degree of scientific-technical quality and a potential market for the developments to be carried out. The project must last between 12 and 36 months.
- Minimum bankable amount: 175,000 euros. The amount of aid shall be a maximum of 85% of the total approved budget and the non-refundable % shall be allocated according to the features of the project and the beneficiary.
- Application period: It is an aid that is permanently open



ICO (Instituto de Crédito Oficial). [Business and Entrepreneurs Line](#)

The ICO places companies and entrepreneurs a series of financing lines for investment projects, business activities, digitalization projects and / or liquidity or expense needs.

- Financing methods: loan, leasing, renting and credit lines.
- It is requested directly from the credit [institutions](#).
- Maximum time per customer: 12,500,000 euros.
- Repayment term: from 1 to 20 years, with the possibility of up to 3 years of grace.

How can I finance the business?



IVF (Instituto Valenciano de Finanzas). [IVF-FEDER line](#).

- Financing for the growth of newly created companies to prioritize innovation, through co-investment with other private investors in projects that have their headquarters, establishment or branch of production or development of activity in the Valencian Community.
- Type: Participatory loan
- Amount: between 25,000 and 300,000 euros
- Repayment term: Maximum of 7 years, with the possibility of a grace period up to 3 years.
- Interest rate: Fixed or variable, in addition to the margin established by the credit institution according to the repayment term.
- The APR may not exceed the following limits:
 1. For forward operations equal to 1 year: fixed or variable rate up to 2.30%.
 2. For term operations of 2, 3 or 4 years: fixed or variable rate up to 4.00%.
 3. For operations with a term equal to or greater than 5 years: fixed or variable rate up to 4.30%.

How can I finance the business?

10.4 Private Financing Lines

Among the private financing lines, in addition to the main financial institutions (**Santander, Caixabank, BBVA or Banco Sabadell**), needed is to highlight those that are focused on entrepreneurs and startups, Venture Capital and Business Angels. Thus, the city of València has, among others, the following investment programs or vehicles:

Angels

It is the investment vehicle of Lanzadera, based in the “Marina de Empresas” of València.

It is aimed at entrepreneurs with a focus on the customer and invests in scalable business models thanks to technology, with efficient traction in capital and that can become sustainable thanks to their customers.

The initial investment are usually tickets which range from € 50 to € 500K, with the aim of reaching around 5% of the shareholding capital and with the capacity to continue in the following rounds.

To date, they have reached €32M of investment and 36 companies invested.



It is the Corporate Venturing of Global Omnium, one of the world's leading water companies.

They invest in “Deep Tech” startups, in B2B SaaS solutions to improve automation processes, and bet on technologies based on advanced engineering: applied AI, IOT, augmented reality, Edge computing, 5G, No Code, cybersecurity or digital twins.

It was born as an investment fund of € 30M and currently has € 12M invested in 26 startups.

The investment strategy is based on two different stages:

- Seed up to 250K€, through an acceleration program focused on technology, product and sales
- VC Growth, with tickets between K€ and 3M€.



[Draper B1](#)

It is a Venture Capital company linked to Silicon Valley and with an office in Madrid. It aims to invest in seed-startups in B2B and B2B2 businesses with a high technological component, in different fields such as software, marketplaces, on demand services or AI and Blockchain.

During 2021 it invested more than € 6M, in more than 20 startups. Its investment strategy focuses on companies in the seed phase with an average ticket between 200K and 300K.



[Keiretsu Forum](#)

It is the largest international network of private investors Business Angels, founded in San Francisco and based in the city of València.

How can I finance the business?



It provides entrepreneurs and investors with a platform in which to interact and find opportunities to invest between € 100K and € 1M in companies with high growth potential in all sectors (technology, clean energy, health sciences, consumer products, etc.).

To this end, it periodically organizes investment forums in which it is given the opportunity to present its projects to between 8 and 10 startups, before the investors of its network.

VALÈNCIA

Doing Business

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AJUNTAMENT DE VALÈNCIA

Cámara
Valencia